

**§ 90.1101 Location and Monitoring Service subject to competitive bidding.**

Mutually exclusive initial applications for multilateration Location and Monitoring Service licenses are subject to competitive bidding procedures. The procedures set forth in part 1, subpart Q of this chapter will apply unless otherwise provided in this part.

**§ 90.1103 Designated entities.**

(a) This section addresses certain issues concerning designated entities in the Location and Monitoring Service (LMS) subject to competitive bidding. Issues that are not addressed in this section are governed by the designated entity provisions in part 1, subpart Q of this chapter.

(b) *Eligibility for small business provisions.* (1) A small business is an entity that, together with its affiliates and controlling interests, has average gross revenues not to exceed \$15 million for the preceding three years.

(2) A very small business is an entity that, together with its affiliates and controlling interests, has average gross revenues not to exceed \$3 million for the preceding three years.

(3) For purposes of determining whether an entity meets either of the definitions set forth in paragraph (b)(1) or (b)(2) of this section, the gross revenues of the entity, its affiliates, and controlling interests shall be considered on a cumulative basis and aggregated.

(4) Where an applicant (or licensee) cannot identify controlling interests under the standards set forth in this section, the gross revenues of all interest holders in the applicant, and their affiliates, will be attributable.

(5) A consortium of small businesses (or a consortium of very small businesses) is a conglomerate organization formed as a joint venture between or among mutually independent business firms, each of which individually satisfies the definition in paragraph (b)(1) of this section (or each of which individually satisfies the definition in paragraph (b)(2) of this section). Where an applicant or licensee is a consortium of small businesses (or very small businesses), the gross revenues of each

small business (or very small business) shall not be aggregated.

(c) *Controlling interest.* (1) For purposes of this section, controlling interest includes individuals or entities with *de jure* and *de facto* control of the applicant. *De jure* control is greater than 50 percent of the voting stock of a corporation, or in the case of a partnership, the general partner. *De facto* control is determined on a case-by-case basis. An entity must disclose its equity interest and demonstrate at least the following indicia of control to establish that it retains *de facto* control of the applicant:

(i) the entity constitutes or appoints more than 50 percent of the board of directors or management committee;

(ii) the entity has authority to appoint, promote, demote, and fire senior executives that control the day-to-day activities of the licensee; and

(iii) the entity plays an integral role in management decisions.

(2) *Calculation of certain interests.*

(i) Ownership interests shall be calculated on a fully diluted basis; all agreements such as warrants, stock options and convertible debentures will generally be treated as if the rights thereunder already have been fully exercised.

(ii) Partnership and other ownership interests and any stock interest equity, or outstanding stock, or outstanding voting stock shall be attributed as specified below.

(iii) Stock interests held in trust shall be attributed to any person who holds or shares the power to vote such stock, to any person who has the sole power to sell such stock, and, to any person who has the right to revoke the trust at will or to replace the trustee at will. If the trustee has a familial, personal, or extra-trust business relationship to the grantor or the beneficiary, the grantor or beneficiary, as appropriate, will be attributed with the stock interests held in trust.

(iv) Non-voting stock shall be attributed as an interest in the issuing entity.

(v) Limited partnership interests shall be attributed to limited partners and shall be calculated according to both the percentage of equity paid in

and the percentage of distribution of profits and losses.

(vi) Officers and directors of an entity shall be considered to have an attributable interest in the entity. The officers and directors of an entity that controls a licensee or applicant shall be considered to have an attributable interest in the licensee or applicant.

(vii) Ownership interests that are held indirectly by any party through one or more intervening corporations will be determined by successive multiplication of the ownership percentages for each link in the vertical ownership chain and application of the relevant attribution benchmark to the resulting product, except that if the ownership percentage for an interest in any link in the chain exceeds 50 percent or represents actual control, it shall be treated as if it were a 100 percent interest.

(viii) Any person who manages the operations of an applicant or licensee pursuant to a management agreement shall be considered to have an attributable interest in such applicant or licensee if such person, or its affiliate pursuant to §1.2110(b)(4) of this chapter, has authority to make decisions or otherwise engage in practices or activities that determine, or significantly influence,

(A) The nature or types of services offered by such an applicant or licensee;

(B) The terms upon which such services are offered; or

(C) The prices charged for such services.

(ix) Any licensee or its affiliate who enters into a joint marketing arrangement with an applicant or licensee, or its affiliate, shall be considered to have an attributable interest, if such applicant or licensee, or its affiliate, has authority to make decisions or otherwise engage in practices or activities that determine, or significantly influence,

(A) The nature or types of services offered by such an applicant or licensee;

(B) The terms upon which such services are offered; or

(C) The prices charged for such services.

(d) A winning bidder that qualifies as a small business or a consortium of

small businesses as defined in paragraph (b)(1) or (b)(5) of this section may use the bidding credit specified in §1.2110(e)(2)(ii) of this chapter. A winning bidder that qualifies as a very small business or a consortium of very small businesses as defined in paragraph (b)(2) or (b)(5) of this section may use the bidding credit specified in §1.2110(e)(2)(i) of this chapter.

## PART 94 [RESERVED]

## PART 95—PERSONAL RADIO SERVICES

### Subpart A—General Mobile Radio Service (GMRS)

- Sec.
- 95.1 The General Mobile Radio Service (GMRS).
  - 95.3 License required.
  - 95.5 Licensee eligibility.
  - 95.7 Channel sharing.
  - 95.21 GMRS system description.
  - 95.23 Mobile station description.
  - 95.25 Land station description.
  - 95.27 Paging receiver description.
  - 95.29 Channels available.
  - 95.33 Cooperative use of radio stations in the GMRS.
  - 95.45 Considerations on Department of Defense land and in other circumstances.
  - 95.51 Antenna height.
  - 95.101 What the license authorizes.
  - 95.103 Licensee duties.
  - 95.105 License term.
  - 95.115 Station inspection.
  - 95.117 Where to contact the FCC.
  - 95.119 Station identification.
  - 95.129 Station equipment.
  - 95.135 Maximum authorized transmitting power.
  - 95.139 Adding a small base station or a small control station.
  - 95.141 Interconnection prohibited.
  - 95.143 Managing a GMRS system in an emergency.
  - 95.171 Station operator duties.
  - 95.179 Individuals who may be station operators.
  - 95.181 Permissible communications.
  - 95.183 Prohibited communications.

### APPENDIX A TO SUBPART A TO PART 95—LOCATIONS WHERE GMRS IS REGULATED BY THE FCC

### Subpart B—Family Radio Service (FRS)

#### GENERAL PROVISIONS

- 95.191 (FRS Rule 1) Eligibility and responsibility.
- 95.192 (FRS Rule 2) Authorized locations.